

MEMORANDUM

TO: Members, Public Disclosure Commission

FROM: Philip E. Stutzman, Director of Compliance

DATE: October 20, 2005

SUBJECT: Status of Compliance Cases

Enclosed is an update of all compliance activity since my last memo to you dated September 7, 2005. If you would like additional information, please let me know.

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Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

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Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Active Investigations

Investigations In Progress

Snohomish Health District--Case #05-096; Investigator: Tony Perkins

Date Received: August 15, 2004

Date Started: August 20, 2004

Section of Law: RCW 42.17.130 & .190

Status: Under Investigation

Summary: A complaint was received from Norm Kjono alleging that officials of the Snohomish County Health District used county facilities to support a statewide ballot proposition, Initiative 890, and also used the facilities to allegedly support an initiative to the Washington State Legislature, Initiative 332.

Disposition: Pending

Ward, Yvonne--Case #05-394; Investigator: Kurt Young

Date Received: May 31, 2005

Date Started: June 17, 2005

Section of Law: RCW 42.17.530

Status: Under Investigation (Complaint on hold pending legal action)

Summary: A complaint was received from Cheryl Marshall alleging that Yvonne Ward, a 2002 candidate for State Senate, sponsored, with actual malice, false statements of material fact against Pam Roach, a candidate for State Senate in 2002, an alleged violation of RCW 42.17.530.

Disposition: Pending

Washington State Trial Lawyers Association--Case #06-007; Investigator: Kurt Young

Date Received: August 15, 2005

Date Started: August 19, 2005

Section of Law: RCW 42.17.040, .080, 090

Status: Under Investigation

Summary: A complaint was received from Andres Dolan alleging that the Washington State Trial Lawyers Association (WSTLA) has increased the dues of its members in order to make contributions to support Initiative 336 and to oppose Initiative 330, and that WSTLA has failed to report its activities as a political committee, an alleged violation of RCW 42.17.040, .080 and .090.

Disposition: Pending

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Hoboy, Loren–Case #06-238; Investigator: Tony Perkins

Date Received: August 30, 2005

Date Started: September 8, 2005

Section of Law: RCW 42.17.530

Status: Under Investigation

Summary: A complaint was received from Pat Mooney alleging that Loren Hoboy produced political advertising in the form of a campaign e-mail that contains a false statement of material fact made about Pat Mooney, a candidate for Commissioner, Port of Anacortes, in violation of RCW 42.17.530.

Disposition: Pending

Everett, Matt–Case #06-239; Investigator: Tony Perkins

Date Received: August 26, 2005

Date Started: September 8, 2005

Section of Law: RCW 42.17.130

Status: Under Investigation

Summary: A complaint was received from Susan Scarvie alleging that Matt Everett, General Manager of the Highline Water District, used public facilities of the Water District to assist the 2005 campaign of Gerald Guite for re-election to the position of Commissioner, Highline Water District, an alleged violation of RCW 42.17.130.

Disposition: Pending

Young, Robert “Bob”–Case #06-240; Investigator: Kurt Young

Date Received: September 8, 2005

Date Started: September 13, 2005

Section of Law: RCW 42.17.125

Status: Under Investigation

Summary: A complaint was received from John Merrell alleging that Robert “Bob” Young, Mayor of Bonney Lake, claimed payment from campaign funds for lost wages during May, June and July 2005 when he was not entitled to such payments, in violation of RCW 42.17.125.

Disposition: Pending

Edmonds, Carolyn–Case #06-242; Investigator: Kurt Young

Date Received: September 6, 2005

Date Started: September 21, 2005

Section of Law: RCW 42.17.130

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Status: Under Investigation

Summary: A complaint was received from Andrew Mascott alleging that Carolyn Edmonds, an incumbent King County Council member up for re-election in 2005, used the facilities of King County to support her campaign for re-election, in violation of RCW 42.17.130.

Disposition: Pending

No Utility Tax in Edgewood–Case #06-243; Investigator: Randy Unruh

Date Received: September 14, 2005

Date Started: October 17, 2005

Section of Law: RCW 42.17.040, .080 & .090

Status: Under Investigation

Summary: A complaint was received from John Powers alleging that an entity, No Utility Tax in Edgewood, failed to register and report contribution and expenditure activities as a political committee supporting a local ballot proposition for the May 17, 2005 election.

Disposition: Pending

Puyallup School District Officials (Rudy Fyles, Tom Riedel and Leonard Cassman)–Case #06-244; Investigator: Kurt Young

Date Received: September 14, 2005

Date Started: October 18, 2005

Section of Law: RCW 42.17.130

Status: Under Investigation

Summary: A complaint was received from Paul Burr alleging that officials of the Puyallup School District, Rudy Fyles, Tom Riedel and Leonard Cassman, used the public facilities of the school district to support passage of a \$200 million bond issue that came before the voters in February 2004, an alleged violation of RCW 42.17.130.

Disposition: Pending

Pasiero-Davis, Sandra–Case #06-245; Investigator: Randy Unruh

Date Received: September 21, 2005

Date Started: October 19, 2005

Section of Law: RCW 42.17.130

Status: Under Investigation

Summary: A complaint was received from Rachel Ruelas alleging that Sandra Pasiero-Davis used the public facilities of the Mabton School District to support a candidate for school director, an alleged violation of RCW 42.17.130.

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Disposition: Pending

Progress Shoreline–Case #06-246; Investigator: Randy Unruh

Date Received: September 27, 2005

Date Started: October 19, 2005

Section of Law: RCW 42.17.080 & .090

Status: Under Investigation

Summary: Two complaints were filed by Andrew Mascott and Brian McCulloch alleging that Progress Shoreline, a political committee, failed to timely report contribution and expenditure activities.

Disposition: Pending

Lasch, Diane–Case #06-247; Investigator: Kurt Young

Date Received: September 23, 2005

Date Started: October 19, 2005

Section of Law: RCW 42.17.130

Status: Under Investigation

Summary: A complaint was received from Ryan Bedford of the Evergreen Freedom Foundation alleging that Diane Lasch, a teacher with the Federal Way School District, used school district facilities to endorse and assist candidates for school board, an alleged violation of RCW 42.17.130.

Disposition: Pending

Steenrod, Maggie–Case #06-248; Investigator: Randy Unruh

Date Received: September 26, 2005

Date Started: October 20, 2005

Section of Law: RCW 42.17.130

Status: Under Investigation

Summary: A complaint was received from Stan Scarvie alleging that Maggie Steenrod, a candidate for Des Moines City Council, failed to allow an examination of her campaign records during the open records inspection, and that Des Moines City Councilman Richard Benjamin, acting on her behalf denied Mr. Scarvie’s attempt to fully examine the records, an alleged violation of RCW 42.17.080.

Disposition: Pending

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Wilson, Jim (Vashon Fire & Rescue District)-Case #06-249; Investigator: Randy Unruh

Date Received: September 26, 2005

Date Started: October 20, 2005

Section of Law: RCW 42.17.130

Status: Under Investigation

Summary: A complaint was received from Rick Frye alleging a violation against Jim Wilson, Chief of the Vashon Island Fire and Rescue District, by using the public facilities of the fire district to further the campaign of SharonLee Nicholson, a Fire Commissioner candidate by featuring her in the district newsletter, a violation of RCW 42.17.130.

Disposition: Pending

Von Reichbauer, Peter–Case #06-252; Investigator: Kurt Young

Date Received: September 30, 2005

Date Started: October 20, 2005

Section of Law: RCW 42.17.530(1)

Status: Under Investigation

Summary: A complaint was received from Darlin’ Boudreau alleging that Peter Von Reichbauer, an incumbent King County Council member and a candidate for re-election in 2005, produced political advertising that contained photographs that falsely implied the support or endorsement of individuals featured with the candidate, an alleged violation of RCW 42.17.530

Disposition: Pending

Oberst, James–Case #06-253; Investigator: Kurt Young

Date Received: October 3, 2005

Date Started: October 20, 2005

Section of Law: RCW 42.17.130

Status: Under Investigation

Summary: A complaint was received from Jeffrey P. Wainwright alleging that James Oberst, a candidate for Fire Commissioner, mailed out a campaign flyer that contained a picture of him wearing a Spokane County Fire District 8 uniform, an alleged violation of RCW 42.17.130.

Disposition: Pending

Bashaw, Richard–Case #06-274; Investigator: Tony Perkins

Date Received: October 6, 2005

Date Started: October 20, 2005

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Section of Law: RCW 42.17.080 & .090

Status: Under Investigation

Summary: A complaint was received from John Ladenburg alleging that Richard Bashaw, a candidate for Tacoma City Council, failed to timely file reports of contribution and expenditure activities undertaken by his campaign, alleged violations of RCW 42.17.080 and .090.

Disposition: Pending

Madden, Thomas--Case #06-275; Investigator: Randy Unruh

Date Received: October 10, 2005

Date Started: October 20, 2005

Section of Law: RCW 42.17.080 & .090

Status: Under Investigation

Summary: A complaint was received from Linnea Peterson alleging that Thomas Madden, a candidate for Federal Way School Board, failed to report expenditures made by his campaign, alleged violations of RCW 42.17.080 and .090.

Disposition: Pending

Johnson, Norman--Case #06-276; Investigator: Tony Perkins

Date Received: October 10, 2005

Date Started: October 20, 2005

Section of Law: RCW 42.17.080 & .090

Status: Under Investigation

Summary: Two complaints were received from Ron Bonlender and Julie Bresson alleging that Norman Johnson, a candidate for Yakima City Council, failed to report contribution and expenditure activities undertaken by his campaign, alleged violations of RCW 42.17.080 and .090.

Disposition: Pending

Metro Parks Tacoma--Case #06-277; Investigator: Tony Perkins

Date Received: October 12, 2005

Date Started: October 20, 2005

Section of Law: RCW 42.17.130

Status: Under Investigation

Summary: A complaint was received from Whil P. Basea alleging that officials of Metro Parks Tacoma, a public agency, used the facilities to support Park Board Commissioner Victoria Woodards' campaign for re-election in 2005, alleged violations of RCW 42.17.130.

Disposition: Pending

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Donyes, Melvain--Case #06-278; Investigator: Randy Unruh

Date Received: October 17, 2005

Date Started: October 20, 2005

Section of Law: RCW 42.17.080 & .090

Status: Under Investigation

Summary: A complaint was received from Dan Swatman alleging that Melvain Donyes, a candidate for Bonney Lake City Council, failed to timely file reports of contribution and expenditure activities undertaken by his campaign, alleged violations of RCW 42.17.080 and .090.

Disposition: Pending

Davis, Patricia (45-day Citizen Action Letter)--Case #06-279; Investigator: Tony Perkins

Date Received: October 11, 2005

Date Started: October 11, 2005

Section of Law: RCW 42.17.080, .090 & .125

Status: Under Investigation

Summary: A 45-day Citizen Action Letter was filed by Richard Pope, alleging that Patricia Davis, an incumbent Port of Seattle Commissioner and candidate for re-election in 2001, failed to timely file reports of contributions and expenditures during the 2001 election cycle, alleged violations of RCW 42.17.080 and .090, and that her 2001 campaign made loan repayments to Ms. Davis that exceeded the \$3,500 loan repayment per election limits that was allowed to candidates at that time.

Disposition: Pending

Initial Investigative Field Work Completed - Cases Under Review

Yes on Initiative 18 Committee-- Case #04-438; Investigator: Phil Stutzman

Date Received: February 13, 2004

Date Started: February 19, 2004

Section of Law: RCW 42.17.080 & .090

Status: Under Review

Summary: A complaint was received from Steve Williamson, Executive Secretary of the King County Labor Council, AFL-CIO alleging that the Yes on Initiative 18 Committee (Yes on I-18), a political committee supporting a local

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

ballot proposition in King County, failed to file C-3 and C-4 reports of contribution and expenditure activities, and alleging that Yes on I-18 failed to disclose a \$20,000 payment to Tim Eyman in exchange for services he performed in support of the initiative efforts.

Disposition: Pending

Washington State Grange--Case #04-450; Investigator: Suemary Trobaugh

Date Received: April 21, 2004

Date Started: April 22, 2004

Section of Law: RCW 42.17.080 & .090

Status: Under Review

Summary: A complaint was received from Paul Berendt, Chair of the Washington State Democratic Central Committee (WSDCC), alleging that the Washington State Grange failed to report contribution and expenditure activities in support of a statewide ballot proposition.

Disposition: Pending

Telling-Poulsen, Soeren-- Case #05-116; Investigator: Tony Perkins

Date Received: November 2, 2004

Date Started: November 16, 2004

Section of Law: RCW 42.17.080 & .090

Status: Under Review

Summary: A complaint was received from Dave Munro, treasurer for Campaign to Elect Joe Martin Sheriff alleging that Soeren Telling-Poulsen, candidate for Clallam County Sheriff, failed to timely file contribution and expenditure reports for numerous activities undertaken by his campaign.

Disposition: Pending

Sutherland, Doug—Case #05-079; Investigator: Randy Unruh

Date Received: September 27, 2004

Date Started: October 5, 2004

Section of Law: RCW 42.17.080, .090 & WAC 390-16-034

Status: Under Review

Summary: A complaint was received from Lisa McShane, Campaign Chair of Citizens Protecting Our Water and Forests, alleging that Doug Sutherland, the incumbent Public Lands Commissioner and a candidate for re-election, failed to disclose the occupation and employer information for individuals that contributed more than \$100 to his campaign, and that the campaign failed to report in-kind contributions for professional services provided to the campaign.

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Disposition: Pending

Republican Governor’s Association & Republican Governor’s Association WA ST PAC—Case #05-100; Investigator: Randy Unruh

Date Received: October 14, 2004

Date Started: October 27, 2004

Section of Law: RCW 42.17.080, .090 & .510

Status: Under Review

Summary: A complaint was received from Paul Berendt, Chair of the Washington State Democratic Central Committee (WSDCC), alleging that the Republican Governor’s Association (RGA) is an unregistered political committee that failed to register and report with the Public Disclosure Commission. The complaint also alleges that ads sponsored by Republican Governor’s Association Washington PAC, were in fact sponsored by Republican Governor’s Association, and that the RGA should be required to register and report as a political committee, and that it should list the top five contributors to it on broadcast political advertisements sponsored by the RGA PAC.

Disposition: Pending

Hope, Michael—Case #05-101; Investigator: Randy Unruh

Date Received: October 15, 2004

Date Started: October 28, 2004

Section of Law: RCW 42.17.640

Status: Under Review

Summary: A complaint was received from Hans Dunshee, a candidate in the 44th Legislative District, alleging that Michael Hope, also a candidate in the 44th Legislative District accepted funds and attributed them for the primary election after the date allowed to receive primary contributions, and that Mr. Hope accepted contributions from affiliated or related entities that exceeded contribution limits.

Disposition: Pending

Republican State Leadership Committee (RSLC) –Case #05-107; Investigator: Randy Unruh

Date Received: October 21, 2004

Date Started: October 29, 2004

Section of Law: RCW 42.17.093

Status: Under Review

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Summary: A complaint was received from C. Steven Fury on behalf of the Deborah Senn campaign alleging that the Republican State Leadership Committee (RSLC) filed two C-5 reports without listing contributors that are a corporation which has a place of business in the state of Washington that contributed more than \$25 during the current calendar year. The RSLC gave \$1,265,000 to its related PAC named “Republican State Leadership Committee Washington PAC” that is registered with the PDC and filed a C-1, C-3 and C-6. The reports disclosed that the group will spend money opposing Deborah Senn.
Disposition: Pending

Cases Referred To Attorney General For Further Action

TME Capital Group and its Investors; and Environmental Materials Transport, LLC and Hank Hopkins--Case #04-445; Investigator: Sally Parker

Date Received: April 5, 2004

Date Started: April 5, 2004

Section of Law: RCW 42.17.040, .080, .090, .105, 120,780

Status: Investigation Complete

Summary: A PDC staff generated complaint was filed by PDC Executive Director Vicki Rippie, after PDC staff noted, while assisting the Attorney General’s Office following referral of Case No. 03-153 by the Commission to the Attorney General’s office, that TME Capital Group, LLC (TME) and its investors (Elling Halvorson, Catherine Boshaw, Doug Edlund, John Taylor, Lon Halvorson, E. Kent Halvorson, Tim Teteak and David Chevalier) may have violated the following: 1) RCW 42.17.040 through 42.17.090 by failing to register and report as a political committee when TME and its investors raised and spent funds to support candidates; 2) RCW 42.17.105(8) by making contributions to another political committee exceeding \$5,000 with 21 days of the 2001 general election; 3) RCW 42.17.780 by reimbursing \$19,000 to Monarch Enterprises for contributions made to a political committee that supported candidates in the 2001 general election; and 4) RCW 42.17.120 by concealing the source of the contributions received and expenditures made to support Des Moines City Council candidates.

Disposition: Following a report to the Commission on June 23, 2005, the Commission reported (1) multiple apparent violations of RCW 42.17.040 through .090, .120, .105(8) and .780 by TME Capital Group and its investors; and (2) multiple apparent violations of RCW 42.17.040 through .090 and .105(8) by

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Environmental Materials LLC and Hank Hopkins to the Office of the Attorney General with a recommendation to institute legal proceedings.

Washington Education Association—Case #01-002; Investigator: Lori Anderson

Date Received: August 15, 2000

Date Started: August 18, 2000

Section of Law: RCW 42.17.760

Status: Investigation Complete

Summary: A complaint was received from the Evergreen Freedom Foundation and public school employees alleging that the Washington Education Association (WEA) and Washington School Districts are in violation of RCW 42.17.680 and 42.17.760. The complaint alleges that Washington School Districts are in violation of RCW 42.17.680 by withholding dues and fees from employees' wages that are used by the WEA and the National Education Association (NEA) for contributions to political campaigns. The complaint also alleges that the WEA is violating RCW 42.17.760 by using agency shop fees for political contributions and expenditures without the affirmative authorization of non-members. The complaint was forwarded to the PDC by the Attorney General's Office following its receipt of the complaint from EFF. The complaint was filed with the Attorney General's Office and all County Prosecuting Attorneys requesting that an action be commenced in the courts to address the apparent violations of RCW 42.17. The complaint said that if an action were not commenced in court the complainant would seek appropriate legal and equitable relief pursuant to RCW 42.17. RCW 42.17.400(4) provides a 45-day time period before a complainant may take steps to initiate a citizen's action in superior court.

Disposition: The Commission accepted a Stipulation of Facts, Violations and Recommendations, found that the Respondent committed an apparent violation of RCW 42.17.760, stipulated to as actual violations, and referred the matter to the Attorney General's Office.

Thurston County Superior Court Disposition: The Attorney General's Office filed suit in Thurston County, and the case went to trial in Thurston County Superior Court. The Thurston County Superior Court found the Respondent intentionally violated RCW 42.17.760, and assessed a total civil penalty of \$400,000. The Washington Education Association has appealed that decision.

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Permanent Offense, Permanent Offense Incorporated, Traffic Improvement Initiative Committee, and Tim Eyman—Case #02-281; Investigator: Kurt Young; (Also received 45-Day Letter of Complaint)

Date Received: February 6, 2002

Date Started: February 6, 2002

Section of Law: RCW 42.17.080, .090, .120, & .125

Status: Investigation Complete

Summary: A complaint was filed by PDC Executive Director Vicki Rippie against Permanent Offense, Permanent Offense Incorporated, Traffic Improvement Initiative Committee, and Tim Eyman alleging the following: 1) failure to properly report committee expenditures, including the purpose of those expenditures; 2) concealing the fact that committee funds were expended to pay Mr. Eyman for compensation for the work he performed on behalf of Permanent Offense; 3) use of committee funds to pay for Mr. Eyman’s personal expenses. In addition, a “45-day letter of complaint” was filed by Richard A. Smith and Knoll Lowney, attorneys with Smith & Lowney, PLLC, representing Permanently Offended, with the Office of the Attorney General and the County Prosecutor’s Offices in King, Snohomish and Thurston counties against Permanent Offense, Permanent Offense, Inc., Traffic Improvement Initiative, Tim Eyman, Karen Eyman, and Suzanne Karr alleging violations similar to those outlined in the PDC complaint.

Disposition: A report to the Commission was presented at its special April 9, Commission meeting. The Commission found that the Respondent committed multiple apparent violations and referred the matter to the Attorney General’s Office.

National Education Association—Case #02-282; Investigator: Suemary Trobaugh; (45-Day Letter of Complaint)

Date Received: January 31, 2002

Date Started: February 6, 2002

Section of Law: RCW 42.17.040, .080, .090, .680 and .760

Status: Investigation Complete

Summary: On January 31, 2002, the Evergreen Freedom Foundation, Lowell Johnson, Carrie Riplinger, Susan Kobes and David Williams, through attorney Jeanne Brown filed a citizen’s action letter under RCW 42.17.400(4) with the Office of the Attorney General and the State of Washington’s County Prosecutors’ Offices. The complaint alleged violations by the NEA’s Ballot Measure/Legislative Crisis and Media Campaign Fund of 1) RCW 42.17.040 et. seq (failure to register as a political committee); 2) violations of RCW

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42.17.680(3) (diverting a portion of an employee's wages or salaries for contributions to political committees without the written request of the employee); and 3) violations of RCW 42.17.760 (using agency shop fees paid by non members to influence an election without written authorization by the Individual). On February 6, 2002, the Office of the Attorney General officially notified the PDC that they were referring the matter to the PDC for investigation. PDC Staff completed a Preliminary Report of Investigation and prepared a memorandum to Commission members concerning Staff's findings and recommendation.

Disposition: On April 9, 2002, the matter was on the Commission's agenda as a report to the Commission. In light of the complaint the Evergreen Freedom Foundation filed against the NEA in Thurston County Superior Court on April 8, 2002 under provisions of RCW 42.17.400(4), the Commission accepted Staff's recommendation that it take no action in this case. On August 23, 2002, Thurston County Superior Court Judge Paula Casey dismissed the lawsuit filed by EFF against NEA. Judge Casey's dismissal was based on a decision by the WA State Court of Appeals in State ex rel. Evergreen Freedom Foundation v Washington Education Association, No. 25272-4-II, where the court stated that “Before the 10-day period¹ had passed after EFF's second letter to the AG, the AG forwarded the allegations to the PDC for investigation...Because the AG acted before the end of the 10-day period, EFF could not bring a citizen's action lawsuit under RCW 42.17.400...” By a unanimous vote, the Commission dismissed the allegations that NEA violated RCW 42.17.040 and 42.17.680.

On October 2, 2002, at a special Commission meeting, by a unanimous vote, the Commission dismissed the allegations that NEA violated RCW 42.17.040 and 42.17.680. By a unanimous vote, the Commission found multiple apparent violations of RCW 42.17.760 by the NEA when it used agency shop fees to make contributions or expenditures to influence an election or to operate a political committee without authorization from the employees. The Commission found that given the insufficiency of its penalty authority, in lieu of holding an enforcement hearing, the Commission referred the above referenced apparent violations to the Washington State Attorney General's Office for appropriate action pursuant to RCW 42.17.360 and .395 and WAC 390-37-100.

¹ RCW 42.17.400 states: “The citizen action may be brought only if the attorney general...ha(s) failed to commence an action hereunder within forty-five days and after such notice and such person has thereafter further notified the attorney general...that said person will commence a citizen's action within ten days upon their failure to do so...”

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Hopkins, Hank/Environmental Materials Transport, LLC--Case #03-153;

Investigator: Sally Parker

Date Received: April 15, 2002

Date Started: April 19, 2002

Section of Law: RCW 42.17.105 & .120

Status: Investigation Complete

Summary: This case is related to PDC Case No. 02-296. Hank Hopkins as President of Environmental Materials Transport, LLC (EMTLLC) was added as a respondent by PDC staff alleging that Mr. Hopkins made contributions in excess of \$5,000 within 21 days of the 2001 general election by contributing \$20,000 to Don Wasson's political committee to support Des Moines City Council candidates Petersen, Benjamin and Steenrod. It was further alleged that Mr. Hopkins and EMT LLC concealed the source and amount of an initial \$1,000 payment that was made to Don Wasson and his political committee to support the campaigns of Gary Petersen and Richard Benjamin. In addition, it is also alleged that Mr. Hopkins and EMT LLC concealed the source and amount of contributions that were made to Mr. Wasson's political committee totaling \$20,000 that also supported the 2001 Council campaigns of Mr. Petersen, Mr. Benjamin, and Ms. Steenrod.

Disposition: An Enforcement hearing before the Full Commission was held on March 25, 2003. The Commission found multiple apparent violations of RCW 42.17.120 by the Respondents for concealing contributions used to benefit candidates in the 2001 Des Moines City Council election. Given the insufficiency of its penalty authority, the Commission referred the apparent violations to the Attorney General's Office for appropriate action.

Voters Education Committee--#05-027; Investigator: Phil Stutzman

Date Received: September 9, 2004

Date Started: September 9, 2004

Section of Law: RCW 42.17.040, .080, .090 & .120

Status: Investigation Complete

Summary: The Public Disclosure Commission staff became aware that on or about September 2, 2004, advertisements began to be broadcast on television stations around Washington State that were identified as being paid for by Voters Education Committee (VEC). The ads concerned Deborah Senn, a candidate for Attorney General, who was on the September 14, 2004 primary election ballot. The Voters Education Committee had filed as a Section 527 organization with the Internal Revenue Service listing its purpose as “a non-partician (sic), non-profit,

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non-discriminatory, political action committee which provides issue education.” PDC staff reviewed the advertisement, to determine whether the content of the advertisement constituted “issue advocacy” as claimed by VEC, or if it constituted “express advocacy” as contemplated by the Washington Supreme Court. PDC staff believed the advertisement, taken as a whole, represented an assault on Ms. Senn’s character because the content went beyond taking issue with Ms. Senn’s actions as Insurance Commissioner, and assailed her integrity and credibility. That activity made VEC and its agents a political committee under state law and required them to register and file detailed reports of contributions received and expenditures made with the Public Disclosure Commission.

Disposition: This matter was presented as a report to the Commission on September 25, 2004, at a special Commission meeting. The Commission found apparent violations by VEC of RCW 42.17.040 for failing to timely register as a political committee, 42.17.080 and 42.17.090 for failing to file detailed reports disclosing contribution and expenditure activities, and RCW 42.17.120 for concealing the amount and identity of the source(s) of their contributions and the amount and recipients of their expenditures. The Commission referred this matter to the Washington State Attorney General's Office for appropriate action, including seeking a court order compelling Voters Education Committee to file the disclosure reports required by RCW 42.17.040 through 42.17.090.

Investigations Completed

Cases Closed

The following cases were closed as a result of enforcement hearings: (Respondents may appeal the results of enforcement hearings. For the results of appeals, see “Compliance” and “Results of Enforcement” on the PDC’s home page at www.pdc.wa.gov)

Full Enforcement Hearings:

None.

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Brief Enforcement Hearings: For the results of “Group Enforcement” brief enforcement hearings, other than from investigations, see “Compliance” and “Results of Enforcement” on the PDC’s home page at www.pdc.wa.gov)

Chang, John–Case #06-008; Investigator: Kurt Young

Date Received: August 12, 2005

Date Started: August 22, 2005

Section of Law: RCW 42.17.040, .080, .090

Status: Investigation Complete

Summary: A complaint was received from Jack Rogers alleging that the 2005 John T. Chang campaign for Shoreline City Council has: 1) failed to timely file campaign finance reports; 2) failed to electronically file C-3 and C-4 reports; and 3) failed to report employer and occupation information for individual contributors giving over \$100 in the aggregate, alleged violations of RCW 42.17.080 and .090.

Disposition: A brief enforcement hearing was held on October 18, 2005. It was found that John T. Chang violated RCW 42.17.080 and .090 by: 1) failing to timely file four Monetary Contribution Reports (PDC Form C-3) for contributions received by his 2001 and 2005 campaigns, respectively; and 2) failing to timely file three Summary Report of Contributions and Expenditures (PDC Form C-4) disclosing contribution and expenditure activities undertaken by both his 2001 and 2005 campaigns. A \$500 civil penalty was assessed, of which \$250 was suspended on the condition that the Respondent commits no violations of RCW 42.17 for two years from the date of the order.

The remaining allegations against Mr. Chang with regard to the electronic filing requirements, and providing the address, employer and occupation for certain contributors were dismissed.

Preecs, Bart–Case #06-241; Investigator: Randy Unruh

Date Received: September 2, 2005

Date Started: September 20, 2005

Section of Law: RCW 42.17.080 & .090

Status: Investigation Complete

Summary: A complaint was received from Raymond Martin alleging that Bart Preecs, a candidate for Edmonds City Council in the 2005 election, failed to timely file Summary Full Report of Receipts and Expenditures (PDC form C-4) and Monetary Contributions Reports (PDC Form C-3) for the 2005 campaign.

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Disposition: A brief enforcement hearing was held on October 18, 2005. It was found that Bart Preecs violated RCW 42.17.080 and .090 by: 1) failing to timely file five Monetary Contribution Reports (PDC Form C-3) for contributions received by his 2005 campaign; and 2) failing to timely file two Summary Report of Contributions and Expenditures (PDC Form C-4), disclosing contribution and expenditure activities undertaken by his campaign. A \$400 civil penalty was assessed, of which \$200 of the penalty was suspended.

American Lung Association of Washington–Case #06-254; Investigator: Tony Perkins

Date Received: September 21, 2005

Date Started: September 21, 2005

Section of Law: RCW 42.17.730

Status: Investigation Complete

Summary: As part of a separate investigation, PDC staff discovered that the American Lung Association of Washington (ALAW), allegedly acted as an intermediary or agent for contributions, when it received monetary contributions in the form of cash and checks and passed them on to a political committee supporting a statewide initiative as being from ALAW, in violation of RCW 42.17.730.

Disposition: A brief enforcement hearing was held on October 18, 2005. It was found that ALAW violated RCW 42.17.730 on two occasions by: 1) receiving and depositing a \$300 check from Dey, LP into their bank account, and cutting a \$300 check that was then passed on to Healthy Indoor Air for All Washington (HIAAW), a political committee supporting Initiative 901, as being from ALAW on May 15, 2005; and 2) ALAW received \$1,005 in monetary contributions that had been solicited and collected by an ALAW board member, deposited into an ALAW bank account, and a \$1,005 check was cut from ALAW and passed on to HIAAW as being from ALAW on August 31, 2005. ALAW transmitted a facsimile to HIAAW concerning the original sources of the funds, and two amended C-3 reports were filed by HIAAW re-attributing the source of the contributions to not be from ALAW. ALAW was assessed a \$100 penalty.

The following cases were dismissed with the concurrence of the chair during this period: (The full text of the dismissal letters issued can be viewed at www.pdc.wa.gov. Click on “Compliance” and “Dismissal of Complaints.”)

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Jurado, Terry– Case #05-395; Investigator: Randy Unruh

Date Received: June 8, 2005

Date Started: June 21, 2005

Section of Law: RCW 42.17.130

Status: Investigation Complete

Summary: A complaint was received from Gregg Hirakawa alleging that Judge Terry Jurado used public facilities to assist his 2005 campaign for re-election to the position of Renton Municipal Court Judge, an alleged violation of RCW 42.17.130

Disposition: Dismissed with the concurrence of the Chair. It was found that:

- Terry Jurado is a Municipal Court Judge for the city of Renton. He was appointed to the municipal court bench on January 4, 1999, and ran unopposed in 2001. His current term of office expires December 31, 2005. He filed a candidate registration (PDC form C-1) on May 15, 2005 for re-election. He was challenged by Mychal Schwartz and Russell Wilson in the primary election. Judge Jurado and Russell Wilson advanced to the general election.
- On January 5, 2005, the Schwartz campaign placed an advertisement in the Renton Reporter listing The Honorable Fred Yeatts as an endorser. Judge Jurado stated that he understood from a previous conversation with Judge Yeatts that Yeatts was only giving Mychal Schwartz a recommendation regarding his performance in Yeatts' court and his opinion as to his general suitability for the bench, not an endorsement.
- On January 19, 2005, Judge Jurado sent an e-mail to Fred Yeatts using his City of Renton computer in an effort to determine whether the statements in the Mychal Schwartz ad were accurate. In the e-mail, Judge Jurado asked Fred Yeatts if he had misunderstood what they had previously discussed. Judge Jurado's e-mail asked for clarification about the endorsement of Mr. Schwartz because, as Judge Jurado said in his e-mail, he was beginning to actively campaign to retain his seat. The e-mail was sent from Judge Jurado's judicial office computer in the City of Renton.
- In response to the complaint, Judge Jurado stated that the purpose of his e-mail to Judge Yeatts was to obtain information necessary to decide whether it was appropriate to report what he considered to be serious breaches of ethics by Mychal Schwartz to the Washington State Commission on Judicial Conduct and King County Bar Association.

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

- Judge Jurado did not dispute that he sent the e-mail to Judge Yeatts using the e-mail system of the City of Renton. He did, however, deny that the use of his computer and e-mail was to assist his campaign.

The investigation showed that Judge Jurado asserted that he used his City of Renton computer and e-mail to help him determine whether he had a duty to report the activities of Mychal Schwartz to the Washington State Commission on Judicial Conduct and the King County Bar Association. However, because of the relevance of the disputed endorsement issue to Judge Jurado’s campaign, the e-mail could also be viewed as an attempt to obtain information that could discredit his opponent. While no enforcement action was taken in this instance, Judge Jurado was cautioned to avoid using his City of Renton computer in similar circumstances.

Cases Scheduled For Hearing

Reports to Commission: None

Scheduled for Full Enforcement Hearing:

Kavanaugh, Angel–Case #06-015; Investigator: Tony Perkins

Date Received: August 24, 2005

Date Started: August 26, 2005

Section of Law: RCW 42.17.510, .120, and .530

Status: Investigation Complete

Summary: A complaint was received from Kyla Houchens alleging that Angel Kavanaugh produced political advertising in the form of a campaign postcard that contains a false return address and does not contain the required sponsor identification, in violation of RCW 42.17.510. In addition, it was alleged that the postcard constitutes false political advertising because it falsely states that it is from Kyla Houchens and because it contains false statements about Ms. Houchens, in violation of RCW 42.17.530. An enforcement hearing will be held on October 27, 2005 concerning staff allegations of no sponsor identification (RCW 42.17.510) and concealment of sponsorship (RCW 42.17.120). The allegation of false advertising has not been investigated and will not be part of the hearing.

Disposition: Pending

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Davis, Patricia (45-day Citizen Action Letter)--Case #06-250; Investigator: Tony Perkins

Date Received: September 27, 2005

Date Started: September 30, 2005

Section of Law: RCW 42.17.080 & .090

Status: Investigation Complete

Summary: A 45-day Citizen Action Letter was filed by Richard Pope, alleging that Patricia Davis, an incumbent Port of Seattle Commissioner and candidate for re-election in 2005, failed to timely file reports of contributions and expenditures during the 2005 election cycle, alleged violations of RCW 42.17.080 and .090.

An enforcement hearing will be held on October 27, 2005.

Disposition: Pending

Citizens for a Healthy Economy (45-day Citizen Action Letter)--Case #06-251; Investigator: Tony Perkins

Date Received: September 27, 2005

Date Started: September 30, 2005

Section of Law: RCW 42.17.080, .090. & .3691

Status: Investigation Complete

Summary: A 45-day Citizen Action Letter was filed by Richard Pope, alleging that Citizens for a Healthy Economy (CHE), a political committee formed to support or oppose candidates for Port of Seattle commissioner in the 2005 election, failed to timely file reports of contributions and expenditures during the 2005 election cycle, alleged violations of RCW 42.17.080 and .090, and failed to timely file reports of contributions and expenditures electronically, an alleged violation of RCW 42.17.3691. An enforcement hearing will be held on October 27, 2005.

Disposition: Pending

Scheduled for Brief Enforcement Hearing: None